

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of

Modernizing the FCC Form 477 Data Program)	WC Docket No. 11-10
)	
Development of Nationwide Broadband Data)	WC Docket No. 07-38
to Evaluate Reasonable and Timely)	
Deployment of Advanced Services to All)	
Americans, Improvement of Wireless)	
Broadband Subscribership Data, and)	
Development of Data on Interconnected Voice)	
over Internet Protocol (VoIP) Subscribership)	
)	
Service Quality, Customer Satisfaction,)	WC Docket No. 08-190
Infrastructure and Operating Data Gathering)	
)	
Review of Wireline Competition Bureau Data)	WC Docket No. 10-132
Practices)	

**COMMENTS OF
THE NEW JERSEY DIVISION OF RATE COUNSEL**

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EXECUTIVE SUMMARY

The New Jersey Division of Rate Counsel (“Rate Counsel”) recommends that the Federal Communications Commission (“Commission” or “FCC”), as contemplated in its Notice of Proposed Rulemaking (“NPRM”), reform and expand the Form 477 data program to enable the Commission and state agencies to carry out their statutory duties more effectively; consumer advocates and interested parties to evaluate industry and regulatory proposals and shape telecommunications policy; and consumers to make informed choices in the telecommunications marketplace. Sound telecommunications policy must be based upon comprehensive and timely data.

Rate Counsel recommends that the Commission reject proposals to shift the burden of data collection from industry to regulators and proposals to rely on third-party data sources. Furthermore, the Commission should view skeptically assertions that data should be deemed proprietary and, instead, should limit the use of proprietary treatment whenever possible. Access to information improves policy making, accountability, and customer choice and is a prerequisite for competitive markets.

The Commission should require broadband providers to report speed (actual as well as advertised), price, and service quality information for their offerings so that the Commission, state agencies, consumer advocates, and consumers can more fully evaluate the affordability and availability of broadband in all regions of the country. Much of the Commission’s focus is turning to broadband deployment – improvements to the Form 477 reporting will enhance data-driven decision making to achieve ubiquitous, affordable broadband in the United States.

Rate Counsel applauds the Commission's inquiry into the expansion of service quality and infrastructure reporting to the entire industry. However, the lapse of time between the grant of forbearance from Automated Reporting Management Information System ("ARMIS") reporting requirements has created a critical gap in historical data related to the wireline incumbent local exchange carriers (who continue to serve a large number of consumers). The Commission should act with urgency to re-impose ARMIS reporting of cost, financial and service quality information, at a minimum, on the nation's largest carriers.

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**COMMENTS OF
THE NEW JERSEY DIVISION OF RATE COUNSEL**

I. INTRODUCTION

The New Jersey Division of Rate Counsel (“Rate Counsel”) as an agency representing New Jersey consumers¹ hereby submits comments in response to the Federal Communications Commission’s (“FCC” or “Commission”) Notice of Proposed Rulemaking (“NPRM”) seeking

^{1/} Rate Counsel is an independent New Jersey State agency that represents and protects the interests of all utility consumers, including residential, business, commercial, and industrial entities.

input on “whether and how to reform the Form 477 data program to improve the Commission’s ability to carry out its statutory duties, while streamlining and minimizing the overall costs of the program, including the burdens imposed on service providers.”²

The outcome of this proceeding has immediate and long-term consequences for consumers because the quality and comprehensiveness of information and data that the industry submits directly influence the FCC’s ability to shape and to enforce sound telecommunications policy.

These initial comments are brief. Rate Counsel may address the issues that the NPRM raises in more detail in reply comments, based on the comments of other stakeholders.³ Also, as expressed in numerous prior filings, Rate Counsel has been a long-time proponent of comprehensive data collection and gathering.⁴ As a general proposition, the FCC requires

² / *In the Matter of Modernizing the FCC Form 477 Data Program*, WC Docket No. 11-10; *Development of Nationwide Broadband Data to Evaluate Reasonable and Timely Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband Subscribership Data, and Development of Data on Interconnected Voice over Internet Protocol (VoIP) Subscribership*, WC Docket No. 07-38; *Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering*, WC Docket No. 08-190; *Review of Wireline Competition Bureau Data Practices*, WC Docket No. 10-132, Notice of Proposed Rulemaking, rel. February 8, 2011 (“NPRM”).

³ / Reply comments are due April 14, 2011. *Federal Register*, Vol. 76, No. 39, February 28, 2011.

⁴ / *See, e.g., In the Matter of 2010 Biennial Review of Telecommunications Regulation*, CC Docket No. 10-266, EB Docket No. 10-267, IB Docket No. 10-268, ET Docket No. 10-269, PS Docket No. 10-270, WT Docket No. 10-271, WC Docket No. 10-272, Reply Comments of the National Association of State Utility Consumer Advocates and The New Jersey Division of Rate Counsel, February 22, 2011. Rate Counsel has also participated in WC Docket 07-38 and WC Docket No. 08-190. *In the Matter of Development of Nationwide Broadband Data to Evaluate the Reasonable and Timely Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband Subscribership Data, and Development of Data on Interconnected Voice over Internet Protocol VoIP (Subscribership)*, WC Docket No. 07-38, Comments of the New Jersey Division of Rate Counsel, August 1, 2008; *id.*, Reply Comments of the National Association of State Utility Consumer Advocates and the New Jersey Division of Rate Counsel, September 2, 2008; *In the Matter of Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering*, WC Docket No. 08-190; *Petition of AT&T Inc. for Forbearance Under 47 U.S.C. §160(c) From Enforcement of Certain of the Commission’s ARMIS Reporting Requirements*, WC Docket No. 07-139, *Petition of Qwest Corporation for Forbearance from Enforcement of the Commission’s ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. §160(c)*, *Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of ARMIS Reporting Requirements*, *Petition of Frontier and Citizens ILECs for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission’s ARMIS Reporting Requirements*, WC Docket No. 07-204; *Petition of Verizon for Forbearance Under*

accurate and timely information so that it can undertake data-driven, fact-based decision-making. Furthermore, Rate Counsel concurs with Commissioner Copps that “[g]athering good data . . . is critical to the FCC’s ability to do its job” and that, furthermore, “ridding ourselves of unneeded data requirements is actually less important than guaranteeing we have the data we need.”⁵

II. FCC FORM 477 DATA PROGRAM

Carriers’ submission of data to other agencies is not a substitute for reporting data directly to the FCC.

The collection of data by other agencies is not a reasonable substitute for the FCC’s direct collection of data from the industry.⁶ For example, data that states are collecting from broadband providers through grants from the National Telecommunications and Information Administration (“NTIA”) pursuant to the Broadband Data Improvement Act are not a substitute for the submission by carriers of Form 477 data directly to the FCC. Form 477 data should also be submitted simultaneously to state public utility commissions (“PUCs”) so that they can pursue the goal of broadband availability. NTIA state grantees are not necessarily the PUCs. Furthermore, the FCC and state PUCs require access to Form 477s in order to carry out their unique federal-state authority and responsibility to achieve national broadband goals.

In no event should data gathering efforts be shifted unnecessarily from industry to the FCC.

47 U.S.C. § 160(c) From Enforcement of Certain of the Commission’s Recordkeeping and Reporting Requirements, WC Docket No. 07-273; *Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission’s Cost Assignment Rules*, WC Docket No. 07-21, Reply Comments of the New Jersey Division of Rate Counsel, December 12, 2008.

⁵ / *NPRM*, Concurring Statement of Commissioner Michael J. Copps, at 67.

⁶ *Id.*, at para. 54.

Rate Counsel urges the Commission to reject proposals that would shift data collection burdens from providers to the FCC.⁷ Carriers have vastly greater resources than do FCC Staff and, therefore, it would be entirely inappropriate to create new burdens for the FCC.⁸

Consumer advocates, regulators, and the public have already lost access to operating data that is essential for their participation in various public policy proceedings.

On September 6, 2008, the FCC released a *Memorandum Opinion and Order and Notice of Proposed Rulemaking* in response to petitions from numerous ILECs, including AT&T, Verizon, Qwest, Embarq, Frontier and Citizens, for forbearance from Automated Reporting Management Information System (“ARMIS”) reporting requirements. The Order granted “in significant part” AT&T’s forbearance petition and found that its conclusions were applicable to other carriers required to file ARMIS reports 43-05, 43-06, 43-07 and 43-08 and thus granted all those carriers forbearance.⁹ Collectively, these reports are generally referred to as the ARMIS

⁷ / See, e.g., *id.*, at para. 37, asking whether it would “be practical for Commission staff to collect data from public sources (e.g., from service providers’ websites).”

⁸ / “The Arsenal of a Lobbyist: Hardball and Cupcakes, An AT&T Veteran Faces His Biggest Beltway Test,” Edward Wyatt, *New York Times*, Sunday Business, March 27, 2011, at 1, 8 (discussing, among other things, AT&T’s vast lobbying resources).

⁹ / *In the Matter of Service Quality, Customer Satisfaction, Infrastructure and Operating Data Gathering*, WC Docket No. 08-190; *Petition of AT&T Inc. for Forbearance Under 47 U.S.C. §160(c) From Enforcement of Certain of the Commission’s ARMIS Reporting Requirements*, WC Docket No. 07-139, *Petition of Qwest Corporation for Forbearance from Enforcement of the Commission’s ARMIS and 492A Reporting Requirements Pursuant to 47 U.S.C. §160(c)*, *Petition of the Embarq Local Operating Companies for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of ARMIS Reporting Requirements*, *Petition of Frontier and Citizens ILECs for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission’s ARMIS Reporting Requirements*, WC Docket No. 07-204; *Petition of Verizon for Forbearance Under 47 U.S.C. § 160(c) From Enforcement of Certain of the Commission’s Recordkeeping and Reporting Requirements*, WC Docket No. 07-273; *Petition of AT&T Inc. For Forbearance Under 47 U.S.C. § 160 From Enforcement of Certain of the Commission’s Cost Assignment Rules*, WC Docket No. 07-21 (“08-190/07-139/07-273/07-21”), *Memorandum Opinion and Order and Notice of Proposed Rulemaking*, rel. September 6, 2008 (“ARMIS Forbearance Order”); appealed *sub nom. NASUCA v. FCC*, DC Cir. Case Nos. 08-1226 and 08-1353 (in abeyance pending FCC action on Petitions for Reconsideration), at para. 7. The FCC adopted a few exceptions to the reporting forbearance. Specifically, the carriers must still report business line count information used for non-impairment thresholds for unbundling rules (ARMIS Report 43-08, Table II, columns FC, FD, and FE) and switched access line data used by the Universal

Service Quality and Infrastructure reports. The FCC found that the Section 10 forbearance criteria were met “with certain limited exceptions” and “subject to certain conditions.” The decision was based, in part, on the conclusion that both service quality and infrastructure and operating data “might be useful, but only if collected on an industry-wide basis.”¹⁰ The FCC also adopted a Notice of Proposed Rulemaking that sought comment on the collection of service quality, infrastructure, and operating data on an industry-wide basis.¹¹ Finally, in an unexpected move, the FCC also extended the conditional forbearance with respect to cost assignment that it had granted to AT&T (in Docket No. 07-21) to Verizon and Qwest.

The FCC agreed with the petitioners that the service quality and infrastructure ARMIS reports were not originally intended to ensure just, reasonable, and nondiscriminatory rates, terms and conditions, but to monitor the theoretical concern that carriers may, under price caps, reduce service quality and network infrastructure in order to maximize short term profits. However, the FCC failed to acknowledge the direct link between the quality of service rendered to a customer and whether the rates for that service can be considered just and reasonable.¹² For example, if there is a delay of two days in restoring an out-of-service basic dial tone, a customer is receiving two fewer days of service, which represents an implicit rate increase – that is, the customer is receiving less service for the same monthly fee.¹³ The FCC also justified its

Service Administration Corporation to calculate growth in access lines to determine interstate access support (ARMIS Report 43-08, Table III, column FI). *Id.*, at paras. 19-20.

¹⁰ / *Id.*, at para. 1.

¹¹ / *Id.*, at paras. 33-36.

¹² / *See, id.*, at para. 8.

¹³ / *See, also, id.*, at para. 9 stating that the California Commission had not explained how the ARMIS reports related to just and reasonable rates.

forbearance decision, in part, on the fact that ARMIS requirements apply to a subset of providers. The FCC referred to “[o]nly certain large incumbent LECs”¹⁴, “just a subset of incumbent LECs”¹⁵, “a subset of providers”¹⁶ and “a small class of carriers”.¹⁷ However, the fact that ARMIS applied to only a few ILECs does not convey adequately the importance of the ARMIS reports and the number of consumers affected by the decision: these “few ILECs” serve a large percentage of consumers, and, furthermore, they dominate the local markets they serve. The fact that some existing requirements “only” applied to large ILECs missed the point – these few large ILECs collectively serve many customers and possess market power in many markets that they serve.

The FCC granted forbearance on the condition that carriers commit (1) to collect and report service quality and customer satisfaction data for 24 months¹⁸ and (2) to collect and retain data on infrastructure and operating data internally for 24 months.¹⁹ The FCC, in adopting a Notice of Proposed Rulemaking regarding industry-wide service quality and infrastructure data reporting, stated that “to make truly informed choices, consumers would need to have the relevant service quality information from all of the relevant providers.”²⁰ Similarly, the FCC stated that “ARMIS Report 43-07 and 43-08 data could be useful to the Commission’s

¹⁴ / *Id.*, at para. 11.

¹⁵ / *Id.*, at para. 13.

¹⁶ / *Id.*, at para. 21.

¹⁷ / *Id.*, Statement of Chairman Martin.

¹⁸ / *Id.*, at para. 12.

¹⁹ / *Id.*, at para. 21.

²⁰ / *Id.*, at para. 12.

policymaking and oversight efforts relating to public safety and broadband deployment, but only if collected on an industry-wide basis.”²¹

Comments were filed in response to the NPRM (in Docket 08-190) on November 14, 2008 and reply comments were filed December 15, 2008.²² However, the FCC failed to follow through with adopting reporting requirements for the entire industry within the 24 month time period. As a result, consumers, consumer advocates, and regulators have lost access to this critical data.²³ Furthermore, as noted above, the carriers that provided the relevant data still serve the largest portion of consumers nationwide. As stated by then-Commissioner Adelstein:

[F]aced with this imminent deadline [to rule on forbearance petitions], the Commission pivots to this awkward two step process – forbearing from these reporting requirements, while at the same time seeking comment on whether those same requirements should be applied to all carriers. While this is certainly putting the cart before horse, this compromise is far better than immediate and precipitous elimination of all of the rules.²⁴

Rate Counsel continues to be gravely concerned that regulators’ ability to obtain relevant data has been hampered severely by the Commission’s granting of forbearance (petitions which NASUCA and Rate Counsel opposed and have appealed the FCC’s orders on), and therefore, Rate Counsel urges the Commission to re-consider the value of the data that was traditionally available through the FCC’s ARMIS. Information asymmetry – where regulated entities uniquely possess relevant cost and revenue data – hampers regulators’ ability to ensure that

²¹ *Id.*, at para. 21.

²² / Rate Counsel filed reply comments. 08-190/07-139/07-273/07-21, Reply Comments of the New Jersey Division of Rate Counsel, December 12, 2008.

²³ / The FCC web site states: “ARMIS filing requirements were reduced significantly for 2008 data by Commission forbearance orders. More information on the impact of the forbearance orders is available on the Significant Changes to ARMIS Reporting Instructions page.” <http://fjallfoss.fcc.gov/eafs7/MainMenu.cfm>

²⁴ / *ARMIS Forbearance Order*, Statement of Commissioner Jonathan S. Adelstein, Approving in Part, Concurring In Part, Dissenting in Part.

consumers' rates are just and reasonable and to ensure that competition is evolving in an economically efficient manner. Furthermore, state regulators and consumer advocates rely on ARMIS reports to monitor carriers' service quality, and to compare service quality over time as well as among jurisdictions. Inaccurate separations factors relate to service quality because carriers profess that purportedly negative earnings constrain their ability to allocate resources to basic local exchange service. The FCC should re-impose ARMIS reporting of financial and service quality information and expand these requirements to all carriers.

Broadband pricing information is essential to inform policy making.

Providers should report information about broadband prices.²⁵ Concerns about the lack of effective competition and the development of a cable-telecommunications broadband duopoly have been expressed to the FCC for many years. These concerns are still germane. The FCC and state regulators require pricing data on bundled and on stand-alone broadband products to monitor relevant geographic and product markets. Information about total revenues is also useful, and should be reported in addition to and not instead of pricing data.²⁶ Rate Counsel concurs fully that comprehensive data is essential to be able to “more rigorously evaluate broadband competition.”²⁷

Also, carriers should submit pricing data for mobile services,²⁸ particularly in light of likely further market concentration.²⁹ In its most recent report on competitive market conditions

²⁵ / *NPRM*, at para. 70.

²⁶ / *Id.*, at para. 72.

²⁷ / *Id.*, at para. 30, quoting National Broadband Plan, at 37.

²⁸ / *NPRM*, at para. 75.

with respect to mobile wireless services, the FCC did not reach “an overarching, industry-wide determination with respect to whether there is ‘effective competition,’”³⁰ but instead, among other things commented on increasing market concentration, stating:

Over the past five years, concentration has increased in the provision of mobile wireless services. The two largest providers, AT&T, Inc. (AT&T) and Verizon Wireless, have 60 percent of both subscribers and revenue, and continue to gain share (accounting for 12.3 million net additions in 2008 and 14.1 million during 2009). The two next-largest providers, T-Mobile USA (T-Mobile) and Sprint Nextel Corp. (Sprint Nextel), had a combined 1.7 million net loss in subscribers during 2008 and gained 827,000 subscribers during 2009. One widely-used measure of industry concentration indicates that concentration has increased 32 percent since 2003 and 6.5 percent in the most recent year for which data is available.³¹

Mobile broadband pricing data will become increasingly essential in years to come.

Almost three years ago, the FCC, in WC Docket No. 07-38, sought comment regarding the requirement that providers report, for each state or Census Tract, the monthly service price for stand-alone broadband access in each speed tier that they offer service.³² Rate Counsel supported the addition of broadband price information to Form 477.³³ The price that companies charge consumers to obtain broadband services is a vital barometer of affordability and of

²⁹ / On March 20, 2011, AT&T Inc. and Deutsche Telekom AG announced that AT&T would acquire T-Mobile USA from Deutsche Telekom in a deal currently valued at \$39 billion. See AT&T Inc. News Release, “AT&T to Acquire T-Mobile USA From Deutsche Telekom,” March 20, 2011.

³⁰ / *In the Matter of Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993, Annual Report and Analysis of Competitive Market Conditions With Respect to Mobile Wireless, Including Commercial Mobile Services*, WT Docket No. 09-66 (Terminated), Fourteenth Report, released May 20, 2010 (“Fourteenth Wireless Report”), at para. 3.

³¹ / *Id.*, at para. 4. See also discussion of HHI analysis, at *id.*, at 15.

³² / *In the Matter of Development of Nationwide Broadband Data to Evaluate Reasonable and Timely Deployment of Advanced Services to All Americans, Improvement of Wireless Broadband Subscribership Data, and Development of Data on Interconnected Voice over Internet Protocol (VoIP) Subscribership*, WC Docket No. 07-38, Report and Order and Further Notice of Proposed Rulemaking, rel. June 12, 2008, at para. 38.

³³ / *Id.*, Comments of the New Jersey Division of Rate Counsel, August 1, 2008, at 11-14. See, also, *id.*, Rate Counsel Initial Comments, at 5, June 15, 2007; *id.*, Rate Counsel Reply Comments, at 6, July 16, 2007.

success in achieving the Commission's mandate to ensure reasonable and timely deployment of broadband services.

It is unfortunate that several years have passed without the FCC collecting broadband pricing data. Several years ago, Rate Counsel concurred³⁴ with Commission Copps' statement that:

I believe it is a mistake to defer action on gathering price information to a further notice of proposed rulemaking. Price is essential to understanding the value proposition that is available to American consumers—our continued unwillingness to gather this critical information reduces the value of our broadband data reports. Value—the price per bit—after all, is broadband's killer application, and if we don't understand what kind of value broadband is bringing into people's homes and offices, we can't really understand where we are and what remains to be done.³⁵

Despite this concern, the FCC did defer action. Without pricing data, the FCC cannot measure the nation's progress toward promoting broadband investment and adoption.

Consistent with comments submitted in 2008, Rate Counsel recommends that the Commission require broadband providers to submit monthly pricing information for stand-alone broadband services and bundled broadband services separately. For example, Form 477 would contain two separate columns for those prices such that if one carrier provided only bundled services, the stand-alone portion would be left blank. Separating the two would enable the Commission to also examine the areas in which no stand-alone service was available and/or the magnitude of price difference between stand-alone and bundled services. In addition, the reported prices should *not* be promotional and introductory prices and the service provider should report the lowest (non-promotional) price available for broadband service within each

³⁴ / *Id.*, Comments of the New Jersey Division of Rate Counsel, August 1, 2008, at 12.

³⁵ / *Id.*, Statement of Commissioner Michael J. Copps, Approving in Part, Concurring in Part, June 12, 2008.

speed tier. Such pricing information, over time would still enable the Commission, state regulators, consumer advocates, and the public to have a more complete picture about the affordability of broadband and pricing trends.

Data on broadband speeds is essential so that the FCC and states can monitor progress toward broadband goals.

The FCC should collect speed data according to various tiers of actual and of advertised download and upload speeds. Rate Counsel does not oppose modifications to the specific reporting tiers, particularly if such modifications enable the data reporting to dovetail better with speed benchmarks associated with universal service funding support or Connect America Fund support.³⁶ Because states rely on Form 477 data, carriers should submit Form 477 data routinely and directly to state PUCs. The FCC's and state public utility commission's ability to shape coherent policy depends critically on its access to timely and comprehensive data. Inadequate data "compromise[s] the rigor" of the FCC's analysis.³⁷ The FCC should collect data on pricing, actual speeds, and quality. Broadband availability indeed is a "broader concept than broadband deployment."³⁸

Broadband availability depends on adequate service quality.

Data on broadband service quality would "provide additional insights into broadband adoption in the United States."³⁹ If carriers do not offer broadband service at adequate levels of service quality, the broadband service cannot be considered to be available. The persistent lack

³⁶ / *NPRM*, at para. 60.

³⁷ / *Id.*, at para. 29.

³⁸ / *Id.*, at para. 34.

³⁹ / *Id.*, citation omitted.

of effective broadband competition underscores the need for regulators to have access to information about broadband service quality.

Carriers should be required to demonstrate that proprietary treatment is appropriate.

Information about various airline routes, carriers, prices, and timeliness is publicly available, which, in turn, enables consumers to make informed decisions. By contrast, the Form 477 data has a long history of receiving proprietary treatment. However, the national and state level Form 477 data available from ARMIS was all deemed public information. National pricing and subscription information is reported in the providers' national filings and should not be deemed proprietary in this context. Rate Counsel urges the Commission to revisit the premise that this data is confidential – certainly information about deployment, pricing, service quality, and customer satisfaction should be readily available. Access to information improves policy making, accountability, and customer choice and is a prerequisite for competitive markets.⁴⁰ Only that narrow subset of Form 477 information for which carriers can actually demonstrate that proprietary treatment is appropriate should be so treated.

Rate Counsel opposes the use of third-party data sources.⁴¹ Instead, carriers should be responsible for providing data directly to the FCC.

⁴⁰ / Perfect, or full, information is an assumption underlying the theory of perfect competition. While certainly economists know that “real world” markets do not function with perfect information, consumers still require access to basic information to guide purchases in a functioning market. See, e.g., Joseph E. Stiglitz and Carl E. Walsh, *Principles of Microeconomics*, 3rd ed., New York: W.W. Norton & Company, 2002, at 15-16, 287.

⁴¹ / *NPRM*, at para. 41-42.

III. CONCLUSION

The nation is continuing to experience an unprecedented transition in voice, broadband, and wireless markets.⁴² Good information is essential to ensure that the transition occurs in such a way as to yield just and reasonable rates, quality and availability of essential services in rural and urban markets. Rate Counsel supports the FCC's comprehensive efforts to improve, and where appropriate, to streamline its data collection process. Rate Counsel relies extensively on the data that the FCC collects from and reports about the telecommunications industry, and, therefore, urges the FCC to view skeptically industry pleas to eliminate data collection. Informed policy-making is far preferable to decision making that occurs in an information vacuum. Also, this proceeding presents an opportunity for the FCC to re-impose requirements for the ARMIS reports, which an earlier FCC prematurely permitted industry to forbear from providing. The FCC is now embarking on a comprehensive reform of intercarrier compensation and universal service funding. The data that ARMIS encompasses is an essential tool for the FCC to ensure that consumers are not improperly burdened by the cost of that reform.

⁴² / *Id.*, at para. 22.

Respectfully submitted,

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